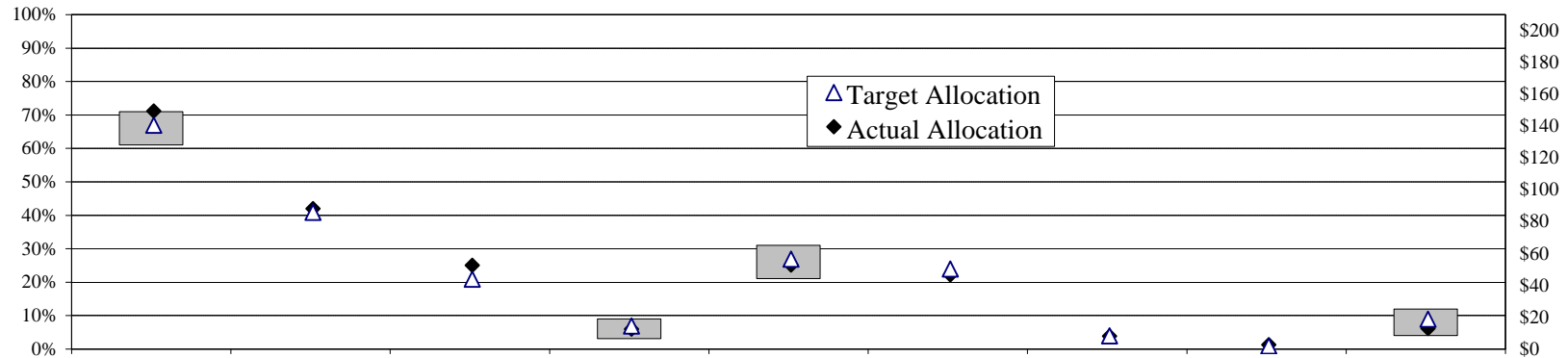


CalPERS

Asset Allocation as of March 31, 2006

Total Fund Market Value: **\$207,119,150,850**



	Total Equity	Domestic Equity	International Equity	Private Equity	Total Fixed	Domestic Fixed	International Fixed	Cash ¹	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	70.2%	41.0%	24.1%	5.1%	24.2%	21.3%	2.9%	0.3%	5.2%	N/A
Variance %	4.2%	1.0%	4.1%	(0.9%)	(1.8%)	(1.7%)	(0.1%)	0.3%	(2.8%)	N/A
Strategic \$ ²	\$136.7	\$82.8	\$41.4	\$12.4	\$53.9	\$47.6	\$6.2	\$0.0	\$16.6	N/A
Actual \$ ^{2,3}	\$145.4	\$85.0	\$49.9	\$10.5	\$50.1	\$44.0	\$6.1	\$0.7	\$10.9	N/A
Variance \$ ²	\$8.7	\$2.2	\$8.5	(\$1.9)	(\$3.7)	(\$3.6)	(\$0.2)	\$0.7	(\$5.7)	N/A
% Passive	56.2%	80.0%	27.5%	0.0%	0.0%	0.0%	0.0%	0.0%	4.5%	39.7%
% Active	43.8%	20.0%	72.5%	100.0%	100.0%	100.0%	100.0%	100.0%	95.5%	60.3%
% Internal ⁴	50.9%	80.0%	12.0%	0.0%	87.5%	99.5%	0.0%	39.0%	4.5%	57.3%
% External ⁴	49.1%	20.0%	88.0%	100.0%	12.5%	0.5%	100.0%	61.0%	95.5%	42.7%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ Cash includes SMIF at STO.

² (\$ Billion)

³ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

⁴ For cash percentage only, average over previous 6 months.

Private Equity Asset Allocation as of 3/31/2006			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$10.52	5.1%	
Unfunded Commitment	\$12.30	5.9%	
Current Market Value plus Unfunded Commitment	\$22.82	11.0%	3-9%

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 3/31/2006

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure ⁽¹⁾	TOTAL Market Value	% of Total Fund ⁽³⁾
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending ⁽²⁾				
GENERAL ELECTRIC	267,330,592	1,348,006,718	223,565,005		1,838,902,315	81,686,501	73,783,039	701,866,494	857,336,034		2,696,238,349	0.95%
EXXON MOBIL CORP	225,169,706	1,419,705,564	251,402,375		1,896,277,645				0		1,896,277,645	0.90%
BANK OF AMERICA CORP	71,712,339	779,160,938	158,934,038		1,009,807,315	52,234,372	6,049,739	610,560,000	668,844,111		1,678,651,426	0.51%
MICROSOFT CORP	167,279,652	1,062,139,629	206,624,260		1,436,043,541				0		1,436,043,541	0.68%
CITIGROUP	171,217,535	908,535,172	198,683,239		1,278,435,946	87,548,989	26,738,091		114,287,080		1,392,723,026	0.66%
BERKSHIRE HATHAWAY	126,860,546	513,381,198	21,594,250		661,835,994	232,235,429	1,011,244	200,107,500	433,354,173		1,095,190,167	0.43%
WAL MART STORES INC	145,001,574	718,997,524	58,654,789		922,653,887	126,503,092	3,994,382		130,497,474		1,053,151,361	0.50%
JOHNSON + JOHNSON	157,159,280	648,382,014	136,340,223		941,881,517	13,999,550			13,999,550		955,881,067	0.45%
PFIZER INC	88,476,043	678,486,872	155,829,468		922,792,383	11,090,770			11,090,770		933,883,153	0.44%
HSBC HOLDINGS	0	211,584,885	141,189,383	198,114,625	550,888,893	150,401,971	26,921,603	202,472,354	379,795,928		930,684,821	0.35%
PROCTER + GAMBLE CO	99,651,255	719,499,327	97,387,347		916,537,929	4,849,682			4,849,682		921,387,611	0.44%
JPMORGAN CHASE & CO	119,191,960	536,520,300	107,101,143		762,813,403	32,993,419	7,883,040	99,883,140	140,759,599	8,828,590	912,401,592	0.39%
AMERICAN INTL GROUP INC	77,719,329	635,475,177	85,027,073		798,221,579	9,179,715	39,391,158		48,570,873		846,792,452	0.40%
CHEVRONTXACO CORP	81,218,637	478,727,854	98,175,036		658,121,527	115,257,081			115,257,081		773,378,608	0.37%
VERIZON COMMUNICATIONS	45,548,029	368,368,675	69,812,758		483,729,462	269,913,987	4,549,729		274,463,716		758,193,178	0.36%
CONOCOPHILLIPS	64,428,345	324,628,890	114,298,406		503,355,641	234,375,921			234,375,921		737,731,562	0.35%
CISCO SYS INC	90,172,142	524,537,519	91,476,909		706,186,570	14,838,218			14,838,218		721,024,788	0.34%
PRUDENTIAL FINL INC	233,114,234	154,379,484	253,530,976		641,024,694	14,451,198	64,954,213		79,405,411		720,430,105	0.34%
INTERNATIONAL BUSINESS M	105,437,318	481,492,848	71,818,257	0	658,748,423	8,086,032	3,331,638		11,417,670		670,166,093	0.32%
ROYAL DUTCH SHELL	0	237,374,848	207,779,687	223,066,752	668,221,287				0		668,221,287	0.32%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

TARGET PERCENTAGE COMPARISON
ASSET ALLOCATION¹
As of March 31, 2006

(A) <u>Asset Class</u>	(B) <u>Market Value</u> (\$ Billion)	(C) <u>Current</u> <u>Allocation</u>	(D) <u>Target</u>	(E) <u>Macro</u> <u>Ranges</u>	(F) <u>Difference</u> <u>(C-D)</u>
Total Cash Equivalents	0.7	0.3 %	0.0 %		0.3 %
Total AIM: Direct/Partnership	10.5	5.1	6.0	3-9 %	-0.9
Total Global Fixed Income	50.1	24.2	26.0	21-31 %	-1.8
Equities					
Domestic ²	85.0	41.0	40.0		1.0
International	<u>49.9</u>	<u>24.1</u>	<u>20.0</u>		<u>4.1</u>
Total Equities	134.9	65.1	60.0	61-71 %	5.1
Total Real Estate	10.9	5.2	8.0	4-12 %	-2.8
Total Equities & Real Estate	145.8	70.4	68.0		2.4
Total Fund	<u>207.1</u>	<u>100.0 %</u>	<u>100.0 %</u>		

¹ As allocated to managers.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$179.3M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON ASSET ALLOCATION

As of March 31, 2006

(A) <u>Asset Class</u>	(B) Current <u>Allocation</u>	(C) <u>Market Value</u> (\$ Billion)	(D) <u>New Policy</u> ¹ (\$ Billion)	(E) Difference <u>(D-C)</u> (\$ Billion)
Total Cash Equivalents	0.3 %	0.7	0.0	-0.7
Total AIM: Direct/Partnership	5.1	10.5	12.4	1.9
Total Global Fixed Income	24.2	50.1	53.9	3.7
Equities				
Domestic ²	41.0	85.0	82.8	-2.2
International	<u>24.1</u>	<u>49.9</u>	<u>41.4</u>	<u>-8.5</u>
Total Equities	65.1	134.9	124.3	-10.7
Total Real Estate	5.2	10.9	16.6	5.7
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	70.4	145.8	140.8	-4.9
	<hr/>	<hr/>	<hr/>	
Total Fund	<u>100.0 %</u>	<u>207.1</u>	<u>207.1</u>	

¹ New Policy: Strategic asset allocation targets effective January 1, 2005.

² Included is MDP Investment: LM Capital Investment: Total Market Value=\$179.3M.

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When summing net amounts on this report, there may be breakage.

MONTHLY PROGRESS REPORT

ASSET ALLOCATION¹

As of March 31, 2006

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>2/28/2006 Market Value (\$ Billion)</u>	<u>3/31/2006 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
Total Cash Equivalents	3.4	0.7	-2.6	0.0
Total AIM: Direct/Partnership	10.6	10.5	0.0	12.4
Total Global Fixed Income	52.1	50.1	-2.0	53.9
Equities				
Domestic ²	83.8	85.0	1.2	82.8
International	<u>48.0</u>	<u>49.9</u>	<u>1.9</u>	<u>41.4</u>
Total Equities	131.8	134.9	3.1	124.3
Total Real Estate	9.3	10.9	1.6	16.6
	_____	_____	_____	_____
Total Equities & Real Estate	141.1	145.8	4.7	140.8
	_____	_____	_____	_____
Total Fund	<u><u>207.1</u></u>	<u><u>207.1</u></u>	<u><u>0.0</u></u>	<u><u>207.1</u></u>

¹ Monthly progress report toward new policy targets.

² Included is MDP Investment: LM Capital Investment: Total Market Value=\$179.3M.

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BOOK VS MARKET VALUE

As of March 31, 2006

(A) <u>Asset Class</u>	(B) <u>Book</u> <u>Value</u> (\$ Billion)	(C) <u>Market</u> <u>Value</u> (\$ Billion)	(D) <u>Difference</u> <u>(C - B)</u> (\$ Billion)
Total Cash Equivalents	0.7	0.7	0.0
Total AIM: Direct/Partnership	12.4	10.5	-1.9
Total Global Fixed Income	50.7	50.1	-0.6
Equities			
Domestic ¹	49.0	85.0	36.0
International	<u>37.4</u>	<u>49.9</u>	<u>12.5</u>
Total Equities	86.4	134.9	48.5
Total Real Estate	11.1	10.9	-0.2
	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	97.5	145.8	48.3
	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>161.3</u></u>	<u><u>207.1</u></u>	<u><u>45.8</u></u>

¹ Included is MDP Investment- LM Capital Investment: Total Book Value=**\$184.5M**, Total Market Value=**\$179.3M**.

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GROSS PERFORMANCE VS EXPECTED RETURNS

One Year
April 1, 2005 to March 31, 2006

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.3 %	4.0 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	28.4	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.2	2.3	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	41.0	14.5	9.6	17.0	-7.4 - 26.6
International	<u>24.1</u>	<u>29.3</u>	9.1	19.5	-10.4 - 28.6
Total Equities	65.1	19.6			
Total Real Estate	5.2	49.5	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>16.6</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

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When summing net amounts on this report, there may be breakage.

NET PERFORMANCE VS EXPECTED RETURNS

One Year
April 1, 2005 to March 31, 2006

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	0.3 %	4.0 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	28.4	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.2	2.3	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	41.0	14.5	9.6	17.0	-7.4 - 26.6
International	<u>24.1</u>	<u>29.2</u>	9.1	19.5	-10.4 - 28.6
Total Equities	65.1	19.6			
Total Real Estate	5.2	39.4	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>16.1</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

GROSS RETURNS

One Year

April 1, 2005 to March 31, 2006

	(A)	(B)	(C)
<u>Asset Classes</u>	<u>Reported Gross Return</u>	<u>Expenses¹ (Percent)</u>	<u>Net Return (A-B)</u>
Total Cash Equivalents	3.96%	0.00%	3.96%
Total AIM	28.38%	0.02%	28.36%
Total Global Fixed Income	2.31%	0.02%	2.29%
Equities			
Domestic	14.51%	0.04%	14.47%
International	<u>29.25%</u>	<u>0.08%</u>	<u>29.17%</u>
Total Equities	19.61%	0.05%	19.56%
Total Real Estate	49.49%	10.12%	39.37%
	<hr/>	<hr/>	<hr/>
Total Fund	16.57%	0.47%	16.10%

¹ Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending March 31, 2006
Investment Committee Meeting May 2006

	MKT VAL (000'S)	One Month Mar 06	QTR Jan - Mar 06	FYTD 05-06	CYTD 2006	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	207,119,151	1.61	4.82	12.97	4.82	16.57	18.30	8.35	9.50
CALPERS POLICY INDEX		1.10	4.28	11.33	4.28	14.19	16.65	7.52	8.59
ACTUAL WEIGHTED TOTAL FUND INDEX		1.33	4.38	10.09	4.38	12.72	16.39	7.54	8.50
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	80,897,184	1.81	5.22	11.95	5.22	14.50	19.04	5.63	9.30
WILSHIRE 2500 EX TOBACCO (BLENDED)		1.81	5.22	11.70	5.22	14.30	18.91	5.37	8.94
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	31,959,138	3.03	10.06	28.49	10.06	28.55	33.26	11.29	7.92
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	32,085,147	3.20	9.76	29.14	9.76	30.98	32.64	10.37	8.20
CALPERS FTSE A-W X US/SSGA BLEND		2.89	9.64	27.59	9.64	27.54	33.04	11.21	7.81
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	14,292,114	3.27	9.61	26.09	9.61				
CALPERS FTSE DEV WORLD EX US & TOBACCO		3.21	9.57	25.90	9.57				
SWCG INTERNATIONAL EQUITY TRANSITION	13,351	2.63	12.01		12.01				
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	2,281,827	1.75	5.76	12.39	5.76	14.20	12.39		
TOTAL ARS PROGRAM BLENDED INDEX		0.69	2.00	5.85	2.00	8.00	12.03		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	4,322,795	3.27	5.31	18.10	5.31	25.09	36.37	17.51	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		2.88	6.15	24.09	6.15	24.59	27.01	9.36	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,347	-0.94	-0.48	-0.50	-0.48	1.98	4.11		
CITIGROUP BROAD INVESTMENT GRADE		-1.02	-0.67	-0.70	-0.67	2.40	3.03	5.15	6.30
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	44,047,686	-1.83	-1.21	-0.81	-1.21	3.34	5.61	6.76	7.50
CALPERS CUSTOM LEH LPF		-2.05	-1.77	-2.40	-1.77	2.20	3.92	6.16	7.07
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	6,058,982	-1.31	0.15	-3.33	0.15	-5.32	6.06	8.61	5.22
CALPERS WORLD GOVT EX US		-1.14	0.14	-3.35	0.14	-5.88	5.32	8.44	4.62
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	708,364	0.39	1.10	3.19	1.10	3.96	2.30	2.53	4.24
CALPERS CUSTOM STIF NET OF FEES		0.38	1.09	2.97	1.09	3.71	2.09	2.24	3.91
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,515,248	0.15	5.18	13.34	5.18	28.38	15.84	3.59	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	10,364,714	0.08	5.10	13.34	5.10	28.58	15.74	3.60	12.57
PERS WILSHIRE 2500/CYFU BLEND		1.87	5.73	18.19	5.73	23.94	14.10	3.18	7.82
SW2V AIM DISTRIBUTION STOCK	150,534	5.36	12.86	4.52	12.86	9.80	24.83	5.89	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,656,359	8.61	8.85	30.14	8.85	48.73	27.38	20.34	17.18
SW7KA1 TOTAL NON-CORE REAL ESTATE	5,978,032	13.93	14.78	30.94	14.78	38.29	32.41	20.36	16.68
NCREIF PROPERTY 1 QTR LAG INDEX		5.43	5.43	15.99	5.43	20.06	14.42	11.40	12.10

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending March 31, 2006
Investment Committee Meeting May 2006

	MKT VAL (000'S)	One Month Mar 06	QTR Jan - Mar 06	FYTD 05-06	CYTD 2006	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	207,119,151	1.53	4.74	12.69	4.74	16.10	17.97	8.09	9.34
CALPERS POLICY INDEX		1.10	4.28	11.33	4.28	14.19	16.65	7.52	8.59
ACTUAL WEIGHTED TOTAL FUND INDEX		1.33	4.38	10.09	4.38	12.72	16.39	7.54	8.50
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	80,897,184	1.81	5.22	11.93	5.22	14.47	19.01	5.61	9.28
WILSHIRE 2500 EX TOBACCO (BLENDED)		1.81	5.22	11.70	5.22	14.30	18.91	5.37	8.94
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	31,959,138	3.02	10.04	28.42	10.04	28.46	33.18	11.23	7.88
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	32,085,147	3.19	9.73	29.06	9.73	30.87	32.55	10.30	8.15
CALPERS FTSE A-W X US/SSGA BLEND		2.89	9.64	27.59	9.64	27.54	33.04	11.21	7.81
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	14,292,114	3.27	9.61	26.09	9.61				
CALPERS FTSE DEV WORLD EX US & TOBACCO		3.21	9.57	25.90	9.57				
SWCG INTERNATIONAL EQUITY TRANSITION	13,351	2.63	12.01		12.01				
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	2,281,827	1.69	5.69	12.19	5.69	13.95	12.08		
TOTAL ARS PROGRAM BLENDED INDEX		0.69	2.00	5.85	2.00	8.00	12.03		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	4,322,795	3.27	5.23	18.02	5.23	24.87	35.72	17.01	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		2.88	6.15	24.09	6.15	24.59	27.01	9.36	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	179,347	-0.98	-0.51	-0.61	-0.51	1.83	3.88		
CITIGROUP BROAD INVESTMENT GRADE		-1.02	-0.67	-0.70	-0.67	2.40	3.03	5.15	6.30
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	44,047,686	-1.83	-1.22	-0.82	-1.22	3.33	5.60	6.74	7.49
CALPERS CUSTOM LEH LPF		-2.05	-1.77	-2.40	-1.77	2.20	3.92	6.16	7.07
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	6,058,982	-1.32	0.13	-3.38	0.13	-5.39	5.98	8.53	5.14
CALPERS WORLD GOVT EX US		-1.14	0.14	-3.35	0.14	-5.88	5.32	8.44	4.62
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	708,364	0.39	1.10	3.19	1.10	3.96	2.30	2.53	4.24
CALPERS CUSTOM STIF NET OF FEES		0.38	1.09	2.97	1.09	3.71	2.09	2.24	3.91
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,515,248	0.15	5.18	13.32	5.18	28.36	15.83	3.58	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	10,364,714	0.08	5.10	13.34	5.10	28.58	15.74	3.60	12.57
PERS WILSHIRE 2500/CYFU BLEND		1.87	5.73	18.19	5.73	23.94	14.10	3.18	7.82
SW2V AIM DISTRIBUTION STOCK	150,534	5.36	12.55	3.31	12.55	8.34	23.67	4.74	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,656,359	8.32	8.55	26.02	8.55	39.19	23.36	17.50	15.38
SW7KA1 TOTAL NON-CORE REAL ESTATE	5,978,032	11.04	11.87	24.54	11.87	30.25	25.51	15.65	13.56
NCREIF PROPERTY 1 QTR LAG INDEX		5.43	5.43	15.99	5.43	20.06	14.42	11.40	12.10

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

This report prepared by State Street Bank

CALPERS INVESTMENT IN CALIFORNIA as of March 31, 2006

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Real Estate - Mortgages					
AFL-CIO (HIT)	97.7	2.4	2.4	2	Union related mortgage fund
CA Community Mortgage Fund	30.2	30.2	30.2	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	568.2	66.0	66.0	12	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	677.3	670.6	670.6	99	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	16.8	16.8	16.8	100	No new additional commitments will be issued as of 3/27/98. All commitments issued.
Subtotal	1,390.2	786.0	786.0	57 %	
Core Portfolio					
AFL-CIO (BIT)	137.5	23.1	23.1	17	Union related mortgage funds
CORE - Equity	8,036.5	2,381.1	2,381.1	30	CORE Equity programs
PREES- REITS	758.5	218.9	218.9	29	Public companies
Non-Core Portfolio					
Senior Housing	351.	64.5	64.5	18	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
California Urban Real Estate- (CURE)					
Pacific City Homes	104.7	250.0	104.7	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	57.3	175.0	57.3	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	189.1	550.0	189.1	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	160.4	665.0	160.4	100	Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	37.3	135.0	37.3	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	327.6	405.0	327.6	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	421.9	750.0	421.9	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	4.0	40.0	4.0	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	-0.6	150.0	-0.6	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	1.4	50.0	1.4	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	240.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	20.2	20.2	20.2	100	
Housing					
Acquisition & Development	39.2	39.2	39.2	100	California land acquisition & development program
National Housing	1,506.3	447.9	447.9	30	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	50.8	50.8	50.8	100	California Single Family Housing program

CALPERS INVESTMENT IN CALIFORNIA as of March 31, 2006

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Natural Resources					
Agricultural	116.7	92.1	69.1	59	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	143.	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
Opportunistic					
DIVCO West / Pagemill	23.3	175.0	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Other Opportunistic Real Estate	905.1	200.0	96.9	N/A	
International					
International Real Estate	664.7	N/A	N/A	N/A	International real estate.
Subtotal	<u>14,067.0</u>	<u>7,122.8</u>	<u>4,727.9</u>	<u>34</u> %	Real estate commitment values
SW6KRE - CORE MV Adjustment	-2,642.8				
SW8KRE - SPECIALIZED MV Adjustment	<u>-571.9</u>				
Total Real Estate	12,242.4	7,908.8	5,513.9	45 %	
AIM: Partnership Component	10,515.2	1,900.0	1,600.0	15	Includes commitments through March 31, 2006
Domestic Equity	85,000.6	11,050.1	11,050.1	13	CA investment assumed to be 13% of total portfolio value
International Equity	<u>49,928.9</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Equities	<u>145,444.8</u>	<u>12,950.1</u>	<u>12,650.1</u>	<u>9</u> %	
Total Real Estate & Equities	157,687.2	20,858.9	18,164.0	12 %	Of total portfolio CA investments in real estate & equities: 8.8%
Cash Equivalents	715.5	0.0	0.0	0	On deposit at the Treasurer's Office: \$194.21
Domestic Fixed Income					
Corporate Bonds	19,307.9	500.6	500.6	3	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	14,608.7	2,490.3	2,490.3	17	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	223.4	0.0	0.0	<u>0</u>	
Treasury Bonds	<u>8,517.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Subtotal	42,657.5	2,990.9	2,990.9	7 %	
International Fixed Income	<u>6,059.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0</u>	
Total Global Fixed Income	48,716.5	2,990.9	2,990.9	6 %	
TOTAL	<u>207,119.2</u>	<u>23,849.8</u>	<u>21,154.9</u>	<u>10</u> %	Outstanding commitments (column E/column C): 11.5%
	=====	=====	=====	=====	

¹ Total actual investments at market value and outstanding program commitments in California